

# State of South Dakota

SEVENTY-SIXTH SESSION  
LEGISLATIVE ASSEMBLY, 2001

537E0397

## HOUSE BILL NO. 1102

Introduced by: Representative Adelstein and Senator Ham

1 FOR AN ACT ENTITLED, An Act to increase the tax upon the sale of certain alcoholic  
2 beverages and to distribute the revenue to the counties.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA:

4 Section 1. That chapter 10-45 be amended by adding thereto a NEW SECTION to read as  
5 follows:

6 There is hereby imposed a law enforcement surtax of twelve percent on the gross receipts  
7 from the sale of alcoholic beverages at the premises of an on-sale licensee as defined in chapter  
8 35-4. The tax shall be collected in addition to the four percent retail sales and use tax imposed  
9 on on-sale sales of alcoholic beverages.

10 Section 2. The Department of Revenue shall administer the tax provided in section 1 of this  
11 Act. The department shall prescribe forms and promulgate rules pursuant to chapter 1-26 for the  
12 making of returns and for the ascertainment, assessment, and collection of the tax. The  
13 department shall keep full and accurate records of all moneys received and distributed by the  
14 department under this Act.

15 Section 3. All moneys received and collected by the Department of Revenue pursuant to this

1 Act shall be credited to a county law enforcement fund, which is established in the state treasury,  
2 and, after deducting the amount of refunds made and the amounts necessary to defray the direct  
3 cost of collecting the tax, shall be paid to the counties as provided in section 4 of this Act.

4 Section 4. Each county's share of the payments from the county law enforcement fund shall  
5 be computed using the following factors:

- 6 (1) The percent of the total population of the state that resides in each county based on  
7 the most recent United States census; and
- 8 (2) The percent of the true and full assessed value of the state associated with each  
9 county as determined by the Department of Revenue.

10 Each county's share of the payments from the county law enforcement fund shall be  
11 calculated by multiplying the average of the two factors by the available payment.

12 Section 5. Payments shall be made to the counties from the county law enforcement fund  
13 quarterly as follows:

- 14 (1) January first, based upon tax revenues collected between July first and September  
15 thirtieth of the preceding year;
- 16 (2) April first, based upon tax revenues collected between October first and December  
17 thirty-first of the preceding year;
- 18 (3) July first, based upon tax revenues collected between January first and March thirty-  
19 first of the current year; and
- 20 (4) October first, based upon tax revenues collected between April first and June thirtieth  
21 of the current year.

22 Section 6. The payments received by counties pursuant to this Act shall be deposited in a  
23 special law enforcement fund. Two-thirds of the revenue deposited in the fund may only be used  
24 for jails, detoxification, law enforcement, juvenile justice programs, attorney fees, court

1 expenses, and other criminal justice expenses and one-third of the revenue deposited in the fund  
2 may only be used for domestic or child abuse shelters or programs. The board of county  
3 commissioners shall, by resolution, establish a means of distributing the revenue among the  
4 county law enforcement, juvenile justice, and other criminal justice agencies and the domestic  
5 or child abuse shelters or programs within the county.